DISCLOSURE FACT SHEET FOR SELLERS/AGENTS Residential Energy Consumption and Energy-Efficiency Information

In 2008, the Montgomery County Council passed legislation (County Council Bill 31-07) requiring that home sellers provide an energy cost and consumption history along with information on the benefits of home energy audits and energy-efficiency improvements.

The bill is intended to ensure that home buyers are informed of a home's energy performance before sale and to help them take advantage of financing and other options that are available at the time of sale.

When Did the Requirement Take Effect? January 1st, 2009

What Types of Property Does the Law Apply to?

Owner-occupied single Family Homes and Condos which are individually metered by electricity or natural gas utilities.

What Does the Law Require of the Seller?

Before signing a contract for a home:

- THE SELLER must provide copies of applicable electricity, gas, and home heating oil bills, or a cost and usage history, for the 12 months immediately prior to the sale; unless the home was previously unoccupied for the entire 12 month period.
- THE SELLER must provide the buyer with information, approved by the Montgomery County Department of Environmental Protection, to assist home buyers in making energy-conservation decisions. Includes information on:
 - The benefits of home energy audits, such as information on Maryland Home Performance with ENERGY STAR
 - Energy-efficiency improvements (e.g., insulation, home sealing, heating and cooling, lighting energy-efficiency, and financing options)

How Often Must the Information be Updated?

It is recommended that the seller compile the information at the time of listing, the information then may only be updated every 6 months that the home is on the market.

What the Current Law Does Not Require?

- DOES NOT require an energy audit to be conducted before the sale.
- DOES NOT require an energy audit to be conducted as part of the home inspection.
- DOES NOT apply to the initial sale of a new home.

Where can I get Disclosure Forms and Energy-Efficiency Information?

The Montgomery County Department of Environmental Protection worked with the Greater Capital Area Association of Realtors (GCAAR) to develop a form for sellers to record and disclose energy cost and history information in a uniform and easy to read format. This form can be obtained by contacting GCAAR. Alternatively, a seller may provide the buyer with a 12 month history.

Energy Audit and Efficiency Information:

DEP and GCAAR developed a <u>webpage</u> listing key information on energy audits, energy-efficiency information, financing and other information to help prospective homeowners understand what opportunities are available.

Who Enforces the Law?

Montgomery County Office of Consumer Protection enforces the law.

What is on the Horizon?

Montgomery County is evaluating options to address the greenhouse gas emissions, energy consumption and energy costs of the existing and new residential sector. While not a current requirement, the Sustainability Working Group (SWG) will evaluate options to encourage homeowners to conduct a home energy audit. This includes evaluating on an ongoing basis whether the County should require a home energy audit to be conducted before the sale of a single family home.

The County encourages members of the real estate community to participate in the SWG and its subcommittees. To learn more about the working group and options being considered visit www.montgomerycountymd.gov/dep.

Who Should I Contact for More Information?

GCAAR, <u>Information on Real Estate Disclosure Forms and Information</u>: 301-590-2000 gcaarstaff@gcaar.com

Montgomery County <u>Department of Environmental Protection</u>, Disclosure Requirements and Energy-Efficiency Information: 240-777-7700 askdep@montgomerycountymd.gov

Montgomery County Office of Consumer Protection, Enforcement Information: 240-777-3636

ConsumerProtection@montgomerycountymd.gov